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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-KSB

(Mark One)

- ☒ ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED MAY 31, 2008
- ☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER _____

SPONGETECH DELIVERY SYSTEMS, INC.
(Name of small business issuer in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

54-2077231
(I.R.S. Employer Identification No.)

43 West 33rd Street, Suite 600
New York, New York 10001
(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code: (212) 695-7850

The Empire Sate Building, 350 Fifth Avenue
Suite 2204, New York, New York 10118
(Former name or former address, if changed since last report)

Copies to:
Richard A. Friedman, Esq.
Sichenzia Ross Friedman Ference LLP
61 Broadway, 32nd Floor
New York, New York 10006
Phone: (212) 930-9700
Fax: (212) 930-9725

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act: None

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. ☒

Our working capital at May 31, 2008 was \$4,919,367 as compared to a working capital (deficiency) of \$268,498 at May 31, 2007.

For the year ended May 31, 2008, cash provided by operating activities was \$542,315, primarily attributable to our \$1,244,455 net income offset primarily by the issuance of common stock for consulting fees, loan payments of \$4,243,228

For the year ended May 31, 2008, net cash used in investing activities was approximately \$315,993 primarily related to equipment purchases and intangible assets.

From January of 2008 through June 2008, the Company issued an aggregate of 267,154,132 shares of common stock to RM Enterprises International, Inc., a company that is our majority stockholder and which is controlled by our officers and directors, in consideration of the advance to the Company of an aggregate of \$4,918,432.46 by RM Enterprises International, Inc. Such shares were issued in tranches at the time of each of the advances of funds to the Company at a 40% discount from the market price on the date of each such advance. The average per share issuance price for the shares was \$0.0184.

Item 7. Financial Statements.

All financial information required by this Item is attached hereto at the end of this report.

Item 8. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.

Not applicable.

Item 8A. Controls and Procedures.

a) EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES. As of the date of this report, the Company's management carried out an evaluation, under the supervision of the Company's Chief Executive Officer and the Chief Financial Officer of the effectiveness of our disclosure controls and procedures pursuant to the Securities and Exchange Act, Rule 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer that our disclosure controls and procedures are effective to ensure that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, and (ii) is accumulated and communicated to our management, including our chief executive officer and chief financial officer, to allow timely decisions on required disclosure.

b) CHANGES IN INTERNAL CONTROLS. There were no changes in internal controls or in other factors that could affect these controls during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 8B. Other Information.

None.

PART III

Item 9. Directors, Executive Officers, Promoters and Control Persons; Compliance With Section 16(a) of the Exchange Act.

The following table sets forth certain information regarding our current Executive Officers, Directors and Key Employees:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Since</u>
Michael Metter*	56	President, Chief Executive Officer, Director	5/2001
Steven Moskowitz*	44	Secretary, Treasurer Chief Financial Officer and Director	6/1999
Frank Lazauskas	48	Director	7/2001

* Michael Metter and Steven Moskowitz are promoters of Spongetech.